

Bad Faith Litigation

Defending Carriers Nationwide in Bad Faith Claims

Claims that an insurance carrier has acted in bad faith can place the carrier at high risk for substantial damages. In an adverse finding against the insurer, courts will often award the policyholder double or even triple the amount of the original claim. In addition to the potential for significant financial exposure, this type of litigation can be extremely disruptive and threaten the insurance carrier's reputation and good standing.

The attorneys in Kaufman Dolowich's Insurance Coverage & Litigation Practice represent insurance carriers facing bad faith claims in both the first-party and third-party contexts. Our firm has decades of accumulated experience handling these complex, high risk matters. Insurance companies across the nation trust our knowledge and experience and often retain us to defend against bad faith claims in hotbed states including California, Texas, Michigan, Florida and New Jersey. Our lawyers are also regularly retained on bad faith cases to provide second opinions regarding how the claim has been handled because of our advanced practice and standing in the field.

Protecting Clients from Bad Faith Exposure

Bad faith claims can stem from a wide range of alleged wrongdoings associated with the investigation, defense and settlement of insurance claims. Our attorneys regularly counsel and defend companies in all types of bad faith actions, including the failure to investigate; the failure to defend/excess verdicts; and punitive damages claims. We handle first and third-party statutory and common law bad faith claims across a full range of policy lines and products, including:

- Directors and Officers Liability
- Data Privacy/Cyber Risk
- Employment Practices Liability
- ERISA, Life, Health & Disability
- Professional Liability Errors & Omissions
- Fidelity and Surety
- General Liability
- Mass Tort and Environmental
- Property Insurance
- Transactional Insurance

When a bad faith claim surfaces, an insurance coverage attorney at our firm takes quick action to protect the client. Our legal team thoroughly analyzes the situation and provides the client with a complete analysis of the potential risks and costs associated with the claim. We are very familiar with the state statutes and laws governing these types of legal actions and several of our attorneys are former insurance executives with a deep understanding of insurance company operations. Our lawyers leverage their knowledge and backgrounds to evaluate bad faith claims and develop actions plans aimed at settling these matters in the most favorable and cost efficient manner possible.

In many situations, we are able to successfully resolve bad faith claims at the summary judgment level by establishing the correctness of the insurer's decision or proving that the insurer's actions were justified and in accordance with the standards of the industry. In the event that the matter proceeds to trial, the attorneys in our Insurance Coverage & Litigation Practice are highly skilled litigators who are fully prepared to defend our clients throughout the course of all legal proceedings, including appeals. Our attorneys have also developed strong relationships with experts across the country and, when necessary, we will call upon these former insurance executives and other

professionals to testify at trial.

Highlights of our firm's recent successes in this area include:

- Successful defense of a bad faith claim against an insurer in Michigan involving an Architects and Engineers (A&E) policy
- Successful defense of a bad faith claim against a directors and officers liability insurer in Colorado
- Summary judgment granted in California federal court and appeal to 9th Circuit on behalf of a fidelity insurer
- Successful appeal of a lawyer's malpractice claim in a New York case applying Pennsylvania law